



Legislative Briefing

Department of Administrative Services

Presented to:

The Administration and Regulation
Appropriations Subcommittee

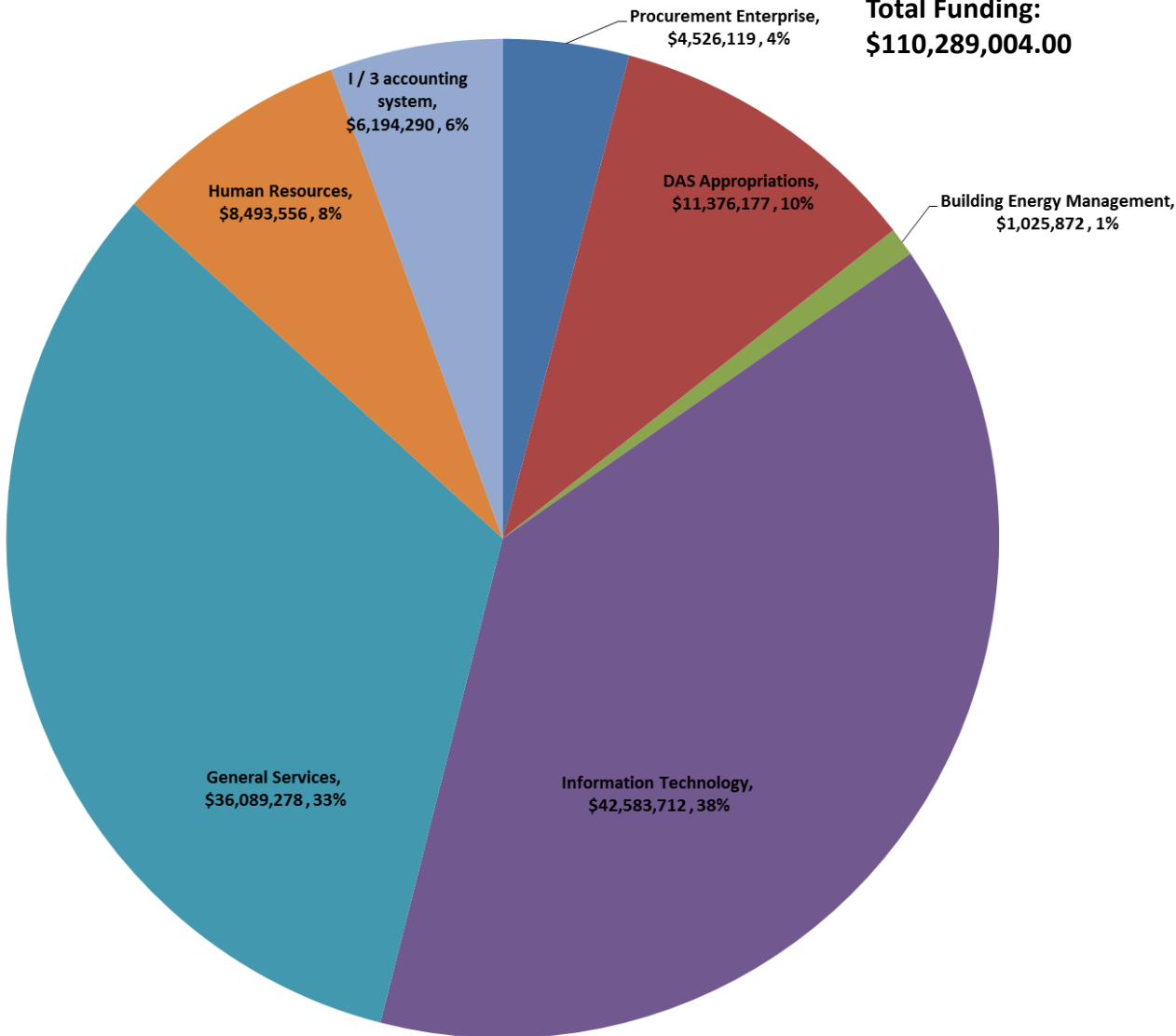
February 7, 2013



DAS FY14 Funding Breakdown Appropriations, Marketplace & Utility

((excludes SS budgets included in other enterprise budgets)
also excludes HRE fiduciary funds = \$77 million)

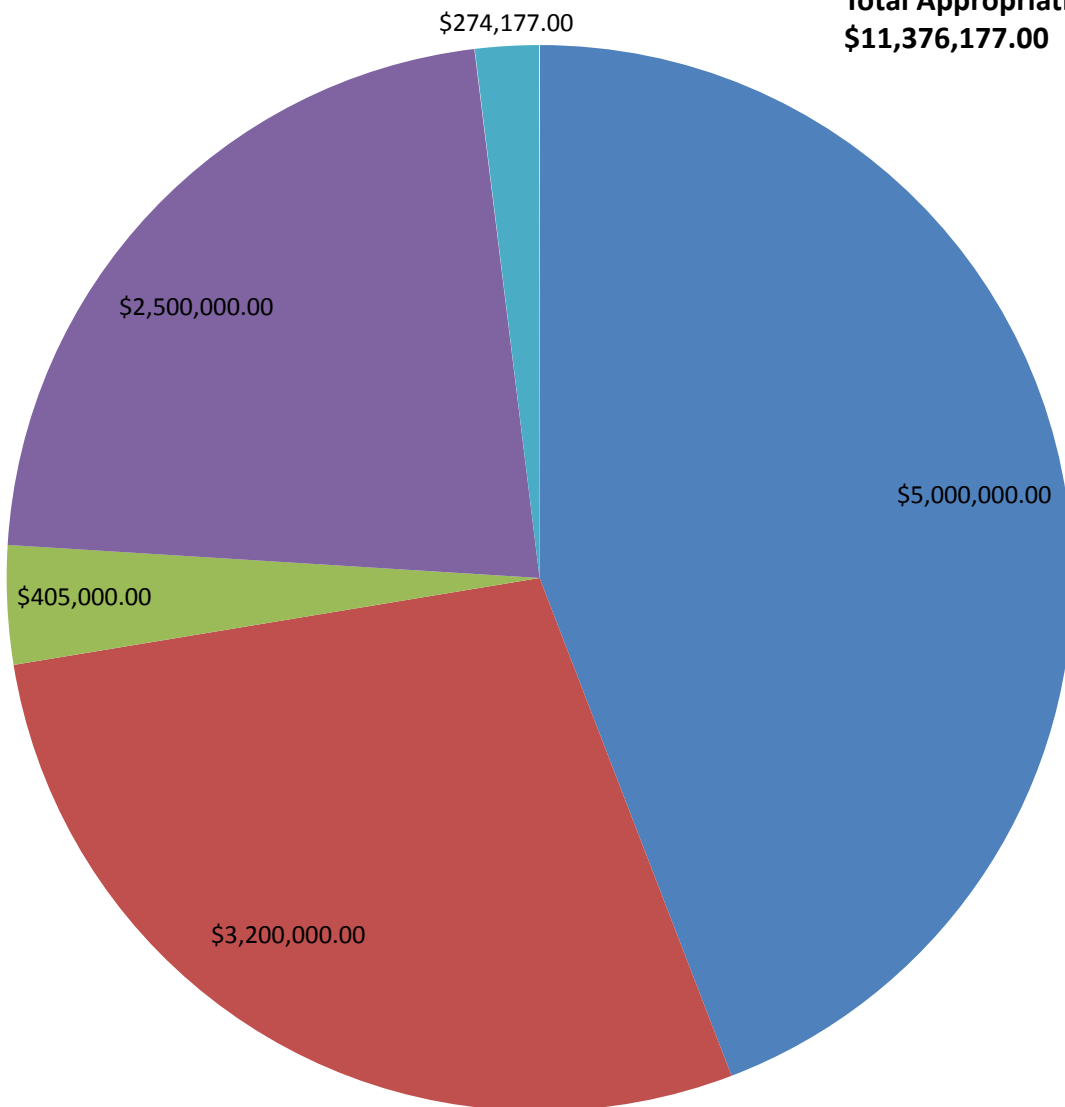
Total Funding:
\$110,289,004.00





Appropriations and Use

Total Appropriation:
\$11,376,177.00



- 1 Capital Complex
- 2 I3 System
- 3 Terrace Hill Operations
- 4 State Accounting
- 5 Director's Office



Fiscal Year 2014 and 2015 Operating Budget Highlights

- **Doing more with efficiency.** In FY 2012, there were 384 budgeted full-time employees. As of today there are 343 actual full-time employees, or more than 10 percent reduction since January 2011.
- **Decrease in overhead.** Shared services (the department's overhead, which is funded by each of the enterprises through marketplace and utility rates), decreased by \$567,657, or 29.37 percent compared to FY 2012.
- **Status quo general fund budget request.** Excluding standing unlimited appropriations, DAS received \$11.3 million in FY 2013 and requested the same amount for FY 2014 and 2015. Of this amount, \$5.0 million goes to maintain the Capitol Complex, \$2.5 million funds the State Accounting Enterprise, \$3.2 million funds the credit for I/3, and \$405,000 funds Terrace Hill operations.
- **DAS marketplace and utility services funding.** For FY 2014, excluding HRE fiduciary funds, is \$110 million, an increase of \$2.0 million compared to FY 2013. This breaks down as follows: Information Technology (38.6%), General Services (32.7%), Human Resources (7.7%) and I-3 (5.6%).
- **The goal of the consolidation initiatives is to reduce the administrative cost of state government.** This cost migration is occurring because of Information Technology and Human Resources consolidation. In order for efficiencies to be achieved, department budgets must be reduced while the DAS operating budget is increased.
- **Continue to consolidate operations.** As the true amount of duplicative services and systems across the state are realized and consolidated, the actual operating budget for DAS will increase. However, the overall total state budget figures will not increase. Department budgets will be reduced, resulting in a net decreased cost overall. The DAS operating budget will increase as consolidation proceeds.
- **Collaborative but purposeful.** Governor Branstad wants to reduce the cost of state government by 15 percent. The department is committed to making this happen but will work closely with the other departments to ensure that the process of consolidation is completed successfully.



Fiscal Year 2014 and 2015 **RIIF Requests and IT Reorganization**

- The department requested \$68.2 million in FY 2014 and \$111.8 million in FY 2015 for vertical infrastructure projects.
- The Governor recommended \$195 million in FY 2014 and \$176 million in FY 2015 for all Rebuild Iowa Infrastructure Fund (RIIF) projects. This includes existing projects like \$30 million to complete prison construction and \$42 million for ongoing Regents construction.
- The Governor recommended \$22.6 million in FY 2014 and \$14 million in FY 2015 for major maintenance projects. In order to increase the amount of revenue going into the RIIF, the Governor recommends depositing \$20.6 million of CHIP contingency funds into the RIIF.
- Major maintenance projects will be funded in accordance with the priority list DAS has submitted to the Governor and the Legislature. The majority of projects will not be on the Capitol Complex but rather at state buildings located across the state.
- The Governor recommended \$26 million over two years for the remodel of the State Historical Building. DAS will provide technical assistance to DCA as this project moves forward.
- The new State Chief Information Officer Bob von Wolffradt is proposing to restructure the DAS Information Technology Enterprise in order to implement the IT consolidation plans.
- One technology project that would not only increase efficiency but would also aid in the implementation of Human Resources consolidation is a new Human Resource Information System (including payroll). The old system is terribly out of date and inefficient. The Governor did not propose additional funding for a new system.